

Tanzania New Metal Materials Industrial Park and Green Power Construction Project Business Plan

I. Company Profile

Hongwang Holding Group specializes in producing **cold-rolled stainless steel, electrical steel, titanium alloy, and related finishing products**. As a comprehensive new materials group integrating **R&D, design, production, and sales**, the company operates 11 subsidiaries across China and overseas. With an **annual production capacity exceeding 6 million tons** and an annual output value of approximately **US\$8 billion**, Hongwang ranks **442nd among China's top 500 enterprises** and **228th among China's top 500 manufacturing enterprises** in 2024. Its product brand has been awarded the title of "China Famous Trademark." Hongwang Group plans to develop this project in Tanzania.

II. Project Overview

The project aims to leverage Tanzania's abundant **ilmenite resources** and **coal energy advantages** to construct a **metal industrial park** in the Liganga iron ore area. The park will integrate **mining, mineral processing, and smelting**, along with **green power supply and distribution grids**, as well as **industrial and trade markets**. This initiative will boost local economic development and enhance Tanzania's capacity for **titanium alloy and steel smelting and processing**.

The project will be executed in **two phases**, covering industrial park construction, energy supply, and infrastructure development, with the goal of building an **internationally competitive metal materials industry base**.

The **total investment** for the project is **US\$1.5 billion**, with **US\$500 million** allocated for Phase I and **US\$1 billion** for Phase II.

III. Phase I Construction Content

1. High Titanium Slag Smelting and Building Materials Production

(1) Build a **2 million-ton/year ilmenite mining and processing plant**.

(2) Construct **6 sets of 36,000 KVA high titanium slag furnaces**, with an annual output of **300,000 tons of high titanium slag** and **900,000 tons of pig iron**.

(3) Refine pig iron to produce **900,000 tons/year of steel building materials**.

(4) Utilize tailings to build a **1.5 million-ton/year cement plant**.

2. Energy and Infrastructure Development

(1) Construct **photovoltaic power generation** and a **200 MW thermal power unit** in the mining area, with an annual power generation capacity exceeding **1.5 billion kWh**. Build a **transmission and distribution grid** connecting the power station to the industrial park and integrating with the national grid.

(2) Develop **standard factory buildings, living facilities, environmental protection systems, and road construction** to support industrial development.

(3) Build **two integrated industrial and trade markets** in Kibaha and Mbeya, featuring logistics, storage, inspection, and bonded warehouse functions for metals and building materials.

(4) Construct **two photovoltaic storage and charging service stations** in Mikumi and Mafinga, supported by a **20 MW photovoltaic microgrid** to enable green and low-carbon logistics for new energy trucks.

3. Investment Plan: US\$500 million, with an expected annual output value of **US\$1 billion**.

IV. Phase II Construction Content

1. **Extension of the Titanium Industry Chain**
 - (1) Expand the ilmenite mining and processing plant to **3 million tons/year**.
 - (2) Build a **2,000 m³ blast furnace** with an annual output of **2 million tons of pig iron**.
 - (3) Construct a **2 million-ton/year steel hot rolling facility** to produce industrial steel plates, meeting the construction needs of Tanzania and neighboring countries.
 - (4) Extract **sponge titanium** using advanced magnesium reduction technology, refining it to produce **60,000 tons/year of titanium alloy**.
 - (5) Produce **200,000 tons/year of titanium dioxide**.
2. **Energy:** Build **two 200 MW thermal power units** to meet electricity demand.
3. **Investment Plan:** **US\$1 billion**, with an expected annual output value of **US\$2.5 billion**.

V. Project Significance

1. **Driving Investment and Industrial Development:** With a total investment of **US\$1.5 billion**, the project will directly stimulate the development of related industries such as **trade, machinery processing, logistics, and after-sales services**, indirectly attracting over **US\$3 billion** in investments.
2. **Boosting Economic Growth and GDP:** The project is expected to generate an annual output value exceeding **US\$3.5 billion**.
3. **Foreign Exchange Earnings:** The refined mineral resources produced in the park will be exported to markets in **Central Africa, Europe, and Asia**, with an expected export value of over **US\$2 billion**.
4. **Job Creation:** The project will directly create **10,000 jobs** and train a large number of engineers, technicians, and industrial workers.

5. Introduction of New Technologies and Equipment: The project will adopt **energy-efficient equipment and advanced production technologies** in mining, smelting, and transportation, significantly reducing carbon emissions and resource waste while improving resource utilization. The use of new technologies and equipment will **enhance Tanzania's industrial technical level**, leading the industry toward green and efficient development.

6. Establishment of a Digital Factory Benchmark: The project will **build an internationally leading digital factory**, integrating intelligent production systems, automated logistics, and big data analytics. It will serve as a model for digital transformation in Tanzania's manufacturing sector, guiding the industry toward **high-end and intelligent manufacturing**.

The project will adhere to **international ESG green park standards**, ensuring smooth implementation and operation, and making a positive contribution to Tanzania's economic development and social progress.

VI. Project Requirements

1. Establish a dedicated project task force to expedite approval processes.
2. Provide the most favorable investment policies available in Tanzania.
3. Issue up to **2,000 work permits** during the construction period.
4. Reserve and approve high-quality mineral resources such as **ilmenite, coal, and limestone** for the project.
5. Permit the construction of **power stations and grid facilities**.
6. Approve the construction of **industrial and trade markets and photovoltaic storage and charging service stations**.
7. Allow the construction of an **airport** within the Njombe Industrial Park.
8. Improve the road from **Liganga to Njombe**.
9. Permit the construction of a **logistics terminal** at Lake Tanganyika in Rukwa Province.